

September  
24<sup>th</sup>-25<sup>th</sup>  
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30<sup>th</sup> RESER International Congress & Co-VAL Conference

University of Alcalá, Alcalá de Henares, Madrid, Spain

## 30<sup>th</sup> RESER International Congress. Value Co-creation and Innovation in the New Service Economy

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**TITLE: Political and Cultural Determinants of Public Sector Innovation and Value Co-creation. The Case of Hungary.**

Author(s) and affiliation(s): György Drótos, Miklós Rosta – Corvinus University of Budapest

Email: [miklos.rosta@uni-corvinus.hu](mailto:miklos.rosta@uni-corvinus.hu)

### ABSTRACT

#### **RATIONALE AND OBJECTIVES:**

Comparative studies exploring the national differences of mainstream public management frameworks and methods have been requested for long by scholars and practitioners alike. Preliminary results of a recent survey within the CO-VAL research program (<https://www.co-val.eu>) involving six European countries suggest that such differences exist in the field of public sector innovation and value co-creation too. The objective of the paper is to disclose those political and cultural factors that can be partly or fully accounted for the sometimes rather divergent survey results of Hungary compared to the other five countries. These results are as follows: (1) much less completed public sector innovations than the average (2) much less direct user involvement in the innovation process than the average (3) much less input to the innovations from outside the public sector (except ICT firms). In addition, the widespread practice of non-visible (and sometimes forced) innovation and co-creation aiming at an acceptable service level will be presented, based on prior research.

**METHODOLOGY:** Besides the CO-VAL survey and prior research mentioned above, detailed description of the recent political regime (often called "illiberal" state) and the resulting public administration practice will be applied as the basis of discussion, together with the conclusions of large-scale national culture studies, especially those of the GLOBE project (<https://globeproject.com/>).



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**EXPECTED RESULTS:** The authors assume that some possible determinants of the observed innovation and co-creation patterns are political: the over-centralization of the institutional system and the decisions within the organizations, the strong politicization of public administration issues, the dominant legal approach (within the preset political limits), and the lack of resources (even mandatory tasks are hardly covered). Other influencing factors, however, seem to be cultural in nature (and as such, are even more difficult to change): the very high power distance and very low institutional collectivism indices of the nation as well as its higher than worldwide average score in group collectivism. Since quasi-autocratic political systems are not unique even within the EU anymore and the cultural characteristics of Hungary are rather similar to the rest of Central-Eastern Europe, these results might be generalized for other countries as well.